

**TOWN OF DAVIE
BUDGET WORKSHOP MEETING
JUNE 10, 2015**

1. PLEDGE OF ALLEGIANCE

The meeting was called to order at 4:32 p.m. and was followed by the Pledge of Allegiance.

2. ROLL CALL

Present at the meeting were Mayor Paul, Vice-Mayor Starkey and Councilmembers Caletka and Hattan and Luis. Also present were Town Administrator Lemack, Town Attorney Rayson and Town Clerk Roig recording the meeting.

3. BUDGET

Mr. Lemack reported they had met or exceeded all expectations discussed at Council's Vision and Goal Setting Session regarding financial, operational and administrative functions. He said residents would see a decrease in taxes, even with the investment in additional staff to meet the needs of service delivery expectations resulting from increased population, business and associated traffic growth.

Mr. Lemack stated the strategic and budget objectives were:

- Adjust Town service delivery levels to meet population growth
 - Net increase of 21 positions including 12 in public safety.
- Dedicate additional funding and resources to the Information Technology Division
 - Addition of 4 positions planned for FY2016 and anticipated infrastructure investment
- Identify Recurring Funding source for CIP

Mr. Lemack described the FY 2016 Budget Outlook:

- No operating millage rate increase
- No fire assessment increase
- Reduction of debt service millage rate
- No use of reserves or nonrecurring revenue
- Slight solid waste assessment increase (contractual)
- Establish a policy for the capital improvement program (CIP)

Mr. Lemack stated they could set aside .1 mill, approximately \$775,000 for FY 2016 for the CIP and asked if Council wished to move this forward. Council instructed Mr. Lemack to prepare a resolution to implement this.

Mr. Lemack provided a recap of Council's Vision and Goal Setting Session:

Completed:

- FLL Airport impacts
- Florida League of Mayors Membership
- National League of Cities Membership
- Council Expense Allowance

In Progress:

- CRA Board Direction
- Intersection Safety Program
- Blue and Green Bus Routes
- Davie-Cooper City Chamber of Commerce Membership
- Old Davie School
- Maintenance of Private Roadways

- Artificial Turf Fields
- Code Lien Amnesty Program
- Batten's Farm
- Broadview Annexation

New Initiative:

- Police Department Mounted Patrol

Mr. Lemack described the proposal for the Mounted Police Patrol and Council agreed to move this forward.

Mr. Lemack said the Friends of the Davie Farm Park [FDFP] were interested in operating the Batten's Farm facility but they were already involved in the Governor Leroy Farm Park and did not feel that they could do more than serve in an advisory capacity. Mr. Lemack requested permission to release an rfp for operation of Batten's Farm and Council agreed.

Budget and Finance Director Bill Ackerman provided an overview of the 2016 budget.

Proposed Budget:

- Adopted FY 2015 Budget - \$203.1 Million
- Proposed FY 2016 Budget - \$191.6 Million
- Decrease of \$11.5 million, or 5.7%, mainly due to Water and Sewer Capital Projects

Mr. Ackerman stated this decrease would change when the Water and Sewer projects were carried forward to next year.

General Fund Proposed Budget

- Adopted FY 2015 Budget - \$106.8 Million
- Proposed FY 2016 Budget - \$110.6 Million
- Increase of \$3.8 million or 3.6%
- Millage Rate Unchanged - \$1.6 million Increase
- Fire Assessment Rate Unchanged - \$43k Increase
- FP&L Utility Tax & Franchise Fees - \$475k Increase
- Solid Waste Commercial Franchise Fees - \$325k Increase
- State Revenue Sharing - \$160k Increase
- Half Cent Sales Tax - \$434k Increase
- SWR Contractual Services - \$213k Increase
- Court Fines - \$175k Increase
- EMS Transport Fees - \$404k Increase
- Building Division Permit Fees - \$200k Increase
- Engineering Permit Fees - \$204k Increase
- Communications Services Taxes - \$155k Decrease
- Other Rents and Royalties - \$145k Decrease
- Use of Reserves for CIP - \$990k Decrease

Mr. Ackerman said the increase was due to personnel and operating costs. He described the changes between the 2015 original adopted budget to the proposed 2016 budget. Mr. Ackerman compared the millage rate and tax assessments from 2007 until the present and noted that the assessments this year would surpass those from the previous high in 2007.

Mr. Ackerman described the Millage Rate Scenarios

- Current and proposed millage rate: 5.0829
 - Allowable with simple majority vote
 - Advertised tax increase
 - Estimated ad valorem revenue of \$37,226,475 (at 95% receipt rate)

- Est. Rolled-back millage rate: 4.8334
 - Allowable with simple majority vote
 - No advertised tax increase
 - Estimated ad valorem revenue decrease \$1,827,304 (at 95% receipt rate)
- Est. Maximum majority vote millage rate: 5.2206
 - Allowable with simple majority vote
 - Advertised tax increase
 - Estimated ad valorem revenue increase \$1,008,496 (at 95% receipt rate)

Mr. Ackerman compared millage rates and fire assessments in Broward County and stated Davie had a very good millage rate at 5.0829 and a fire assessment of \$166.00.

Mr. Ackerman described the expenditures by category and department, as well as increases and decreases by department. He explained personnel and pension costs.

Mr. Lemack provided a summary of positions added/eliminated for 2016 and budget impacts from other personnel changes.

Mr. Ackerman reported for a single-family home worth \$200,000, taxes and fees would decrease \$2.57 for the year. For a \$500,000 home, the decrease would be approximately \$15.19. Mr. Ackerman explained that this decrease was due to refinancing bonds, which saved the Town over \$4 million.

At the July 1 workshop, Mr. Ackerman said they would cover the following:

- General Fund
 - Ad Valorem for July 1st Certification
 - Operating
 - Debt Service
 - Fire and Solid Waste Assessments Revenue
 - State Related Revenues
 - Tax Increment Payment to CRA
 - Adjustments for Information Technology Improvements
- Other Funds
 - CRA Ad Valorem
 - Update CIP - Projects and Policy

Future meeting dates included:

- Next Budget Workshop - July 29 at 4:30pm
- Community Endowment / CIP
 - Community Endowment Workshop - August 5 at 5:00
 - CIP Workshop - August 5 at 5:30
- Special Assessment Hearing - September 15 at Noon
- Budget Hearings - September 3 & 15 at 5:01pm (coincide with Council meetings)

Vice-Mayor Starkey suggested the Airport Advisory Board be retitled the Airport and Transportation Board when they reinstated it. Counsel had consensus to make that change.

Councilmember Caletka asked for a list of the federal lobbyist's accomplishments prior to the next budget workshop. He said Broward County Mayor Tim Ryan was pursuing a second green line bus and County supplement so the Town would not bear the full cost.

Councilmember Caletka was not convinced the additional police lieutenant positions were necessary; he noted that the police department had done an excellent job of putting more officers on the street instead of more "brass." Regarding code compliance, he said he was "underwhelmed" but would give them a chance between now and the next budget meeting to perform.

Councilmember Caletka was also concerned about salaries for police court appearances and overtime, as well as legal expenses. Mr. Ackerman explained that they had amended the 2015 budget for

the additional court appearance costs. Mr. Lemack stated these officers were attending court pursuant to subpoenas; attendance was not optional. Mr. Ackerman said the overtime for 2015 required a budget amendment as well. He recalled Counsel had passed a resolution to approve a police legal advisor for \$80,000 and this accounted for the additional legal costs. Mr. Lemack said the legal advisor provided specialized expertise.

Councilmember Caletka asked about the \$250,000 increase in IT internal charges. Mr. Ackerman explained IT had reviewed expenses and found many that had not been accounted for correctly in previous years. There would also be new employees adding to IT costs.

Councilmember Caletka noted that the grants expense was increasing from less than \$100,000 to \$400,000. Mr. Ackerman pointed out there were FDOT grants for \$222,000 and the JAG 2015 for \$60,000, and noted that the funds would not be expended if the revenue did not come in. He reminded Councilmember Caletka that all grant applications came to Council for approval.

Councilmember Caletka felt there was a large increase in repairs and maintenance from under \$34,000 in 2015 to \$159,000 in 2016. Mr. Ackerman said this was the adjustment for the Southwest Ranches Division.

In the fire department, Councilmember Caletka asked what needs were being filled by the additional employees. Mr. Lemack said the additional staff would allow them to put another ladder truck into service and to add officers at high-volume times. Fire Chief Joseph Montopoli explained the new firefighters were needed to fulfill the staffing quotient.

Councilmember Caletka noted a \$220,000 increase for life and health insurance. He said the Broward MPO had recently experienced a reduction in the bids. Mr. Ackerman said they must budget for the possibility of new employees enrolling in family coverage.

Mayor Paul asked if they were working toward converting fleet vehicles to energy efficient vehicles. Mr. Ackerman stated the Town had purchased some Green vehicles but he did not know the plans going forward.

Mayor Paul was glad they were instituting the mounted patrol.

4. **ADJOURNMENT**

There being no further business to discuss and no objections, the meeting was adjourned at 5:46 p.m.

Approved _____

Mayor/Councilmember

Town Clerk